GOVERNMENT OF INDIA
MINES AND MINERALS
LOK SABHA

STARRED QUESTION NO:223
ANSWERED ON:10.03.2000
AGREEMENT WITH WORLD BANK FOR CSRP
BASUDEB ACHARIA

Will the Minister of MINES AND MINERALS be pleased to state:

(a) whether any agreement has been reached between the World Bank and Coal India Limited/Government of India forCoal Sector Rehabilitation Project (CSRP) involving IBRD loan of 530 million dollars;

(b) if so, the details of proposed covenants under the CSRP loan for coal price and distribution, deregulation and encouraging private investments; and

(c) the details of the clauses in the agreement pertaining to Eastern Coalfields Ltd. and BharatCoking Coal Ltd.?THE MINISTER FOR POWER AND MINES & MINERALS (SHRI P.R.KUMARMANGLAM)

Answer

(a) Yes, Sir. An agreement has been signed between IBRD and Coal India Ltd. for a loan of 530 million dollars.
(b) There is no covenant on coal price and distribution, de-regulation and for encouraging private investment in the Loan Agreement between IBRD and Coal India Limited.
(c) In the CSRP Loan Agreement between IBRD and Coal India Limited, the clauses pertaining to Eastern Coalfields Limited and Bharat Coking Coal Limited provide, inter-alia, for controlling and improving the debt to total capitalization ratio and debt service coverage ratio of these two companies.